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Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

Report of the Fifth Committee

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I. Introduction

1. At its 9th plenary meeting, on 11 September 2000, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its fifty-fifth session the item entitled "Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission" and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 58th, 59th and 67th meetings, on 7, 8 and 25 May 2001. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/55/SR.58, 59 and 67).

3. For its consideration of the item, the Committee had before it the following documents:

(a) Report of the Secretary-General on the financial performance of the United Nations Iraq-Kuwait Observation Mission for the period from 1 December 1999 to 30 June 2000 (A/55/810);

(b) Report of the Secretary-General on the budget of the Observation Mission for the period from 1 July 2001 to 30 June 2002 (A/55/811);

(c) Reports of the Advisory Committee on Administrative and Budgetary Questions (A/55/874 and Add.2).

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II. Consideration of draft resolution A/C.5/55/L.69

4. At the 67th meeting, on 25 May, the representative of Ghana and coordinator of informal consultations on this item introduced, on behalf of the Chairman, a draft resolution entitled "Financing of the United Nations Iraq-Kuwait Observation Mission" (A/C.5/55/L.69).

5. At the same meeting, the Committee adopted draft resolution A/C.5/55/L.69 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the United Nations Iraq-Kuwait Observation Mission

The General Assembly,

Having considered the reports of the Secretary-General on the financing of the United Nations Iraq-Kuwait Observation Mission[1] and the related reports of the Advisory Committee on Administrative and Budgetary Questions,[2]

Recalling Security Council resolutions 687 (1991) of 3 April 1991 and 689 (1991) of 9 April 1991, by which the Council decided to establish the United Nations Iraq-Kuwait Observation Mission and to review the question of its termination or continuation every six months,

Recalling also its resolution 45/260 of 3 May 1991 on the financing of the Observation Mission and its subsequent resolutions and decisions thereon, the latest of which was resolution 54/18 B of 15 June 2000,

Reaffirming the general principles underlying the financing of United Nations peacekeeping operations, as stated in General Assembly resolutions 1874 (S-IV) of 27 June 1963, 3101 (XXVIII) of 11 December 1973 and 55/235 of 23 December 2000,

Expressing its appreciation for the substantial voluntary contributions made to the Observation Mission by the Government of Kuwait and the contributions of other Governments,

Mindful of the fact that it is essential to provide the Observation Mission with the necessary financial resources to enable it to fulfil its responsibilities under the relevant resolutions of the Security Council,

1. *Takes note* of the status of contributions to the United Nations Iraq-Kuwait Observation Mission as at 30 April 2001, including the contributions outstanding in the amount of 13.3 million United States dollars, representing some 5 per cent of the total assessed contributions from the inception of the Mission to the period ending 30 April 2001, notes that some 22 per cent of the Member States have paid their assessed contributions in full, and urges all other Member States

[1] A/55/810 and A/55/811.

[2] A/55/874 and Add.2.

concerned, in particular those in arrears, to ensure the payment of their outstanding assessed contributions;

2. *Expresses its continued appreciation* of the decision of the Government of Kuwait to defray two thirds of the cost of the Observation Mission, effective 1 November 1993;

3. *Expresses its appreciation* to those Member States which have paid their assessed contributions in full;

4. *Expresses concern* about the financial situation with regard to peacekeeping activities, in particular as regards the reimbursements to troop contributors that bear additional burdens owing to overdue payments by Member States of their assessments;

5. *Urges* all other Member States to make every possible effort to ensure payment of their assessed contributions to the Observation Mission in full and on time;

6. *Expresses concern* at the delay experienced by the Secretary-General in deploying and providing adequate resources to some recent peacekeeping missions, in particular those in Africa;

7. *Emphasizes* that all future and existing peacekeeping missions shall be given equal and non-discriminatory treatment in respect of financial and administrative arrangements;

8. *Also emphasizes* that all peacekeeping missions shall be provided with adequate resources for the effective and efficient discharge of their respective mandates;

9. *Reiterates its request* to the Secretary-General to make the fullest possible use of facilities and equipment at the United Nations Logistics Base at Brindisi, Italy, in order to minimize the costs of procurement for the Observation Mission;

10. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions,[3] and requests the Secretary-General to ensure their full implementation;

11. *Requests* the Secretary-General to take all necessary action to ensure that the Observation Mission is administered with a maximum of efficiency and economy;

12. *Also requests* the Secretary-General, in order to reduce the cost of employing General Service staff, to continue efforts to recruit local staff for the Observation Mission against General Service posts, commensurate with the requirements of the Mission;

13. *Decides* to appropriate to the Special Account for the United Nations Iraq-Kuwait Observation Mission the amount of 52,815,237 dollars gross (50,478,961 dollars net) for the maintenance of the Observation Mission for the period from 1 July 2001 to 30 June 2002, inclusive of the amount of 1,545,763 dollars gross (1,356,558 dollars net) for the support account for peacekeeping

[3] A/55/874/Add.2

operations and the amount of 161,474 dollars gross (145,003 dollars net) for the United Nations Logistics Base, a two-thirds share of this amount, equivalent to 33,652,640 dollars, to be funded through voluntary contributions from the Government of Kuwait, subject to the review by the Security Council with regard to the question of termination or continuation of the Mission;

14. *Decides also*, taking into consideration the funding through voluntary contributions from the Government of Kuwait of the two-thirds share of the cost of the Observation Mission, equivalent to 33,652,640 dollars, to apportion among Member States the amount of 19,162,597 dollars gross (16,826,321 dollars net), representing one third of the cost of the maintenance of the Mission for the period from 1 July 2001 to 30 June 2002, the said amount to be apportioned at a monthly rate of 1,596,883 dollars gross (1,402,193 dollars net) in accordance with the levels set out in Assembly resolution 55/235, as adjusted by the Assembly in its resolution 55/236 of 23 December 2000, and taking into account the scale of assessments for the years 2001 and 2002, as set out in its resolution 55/5 B of 23 December 2000, subject to the review by the Security Council with regard to the question of termination or continuation of the Mission;

15. *Decides further* that, in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among Member States, as provided for in paragraph 14 above, their respective share in the Tax Equalization Fund of the estimated staff assessment income of 2,336,276 dollars approved for the Observation Mission for the period from 1 July 2001 to 30 June 2002;

16. *Decides* that, taking into consideration the funding through voluntary contributions from the Government of Kuwait of the two-thirds share of the cost of the Observation Mission, for Member States that have fulfilled their financial obligations to the Mission, there shall be set off against the apportionment, as provided for in paragraph 14 above, their respective share of the unencumbered balance of 1,216,833 dollars gross (884,833 dollars net), representing one third of the unencumbered balance of 2,986,500 dollars gross (2,654,500 dollars net) in respect of the period ending 30 June 2000, in accordance with the composition of groups as set out in paragraphs 3 and 4 of General Assembly resolution 43/232 of 1 March 1989 and adjusted by the Assembly in subsequent relevant resolutions and decisions for the ad hoc apportionment of peacekeeping appropriations, the latest of which were resolution 52/230 of 31 March 1998 and decisions 54/456, 54/457 and 54/458 of 23 December 1999 for the period 1998-2000, and taking into account the scale of assessments for the year 2000, as set out in its resolutions 52/215 A of 22 December 1997 and 54/237 A of 23 December 1999;

17. *Decides also* that, for Member States that have not fulfilled their financial obligations to the Observation Mission, their share of the unencumbered balance of 1,216,833 dollars gross (884,833 dollars net) in respect of the period ending 30 June 2000 shall be set off against their outstanding obligations in accordance with the scheme set out in paragraph 16 above;

18. *Decides further* that two thirds of the net unencumbered balance of 2,654,500 dollars, equivalent to 1,769,667 dollars, shall be returned to the Government of Kuwait;

19. *Emphasizes* that no peacekeeping mission shall be financed by borrowing funds from other active peacekeeping missions;

20. *Encourages* the Secretary-General to continue to take additional measures to ensure the safety and security of all personnel under the auspices of the United Nations participating in the Observation Mission;

21. *Invites* voluntary contributions to the Observation Mission in cash and in the form of services and supplies acceptable to the Secretary-General, to be administered, as appropriate, in accordance with the procedure and practices established by the General Assembly;

22. *Decides* to include in the provisional agenda of its fifty-sixth session, under the item entitled "Financing of the activities arising from Security Council resolution 687 (1991)", the sub-item entitled "United Nations Iraq-Kuwait Observation Mission".